

# HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA UPS OVERNIGHT

March 22, 2001

RECEIVED  
MAR 23 2001  
MAIL  
MANAGEMENT  
STB

Mr. Vernon Williams  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed for filing with the Surface Transportation Board are four (4) originals of a Partial Termination. In connection with the recording of this Partial Termination, please note the following information:

Previous STB Filing: Security Agreement in connection with that certain Revolving Credit and Term Loan Agreement dated as of October 18, 2000, under Recordation No. **23168**, filed at the Surface Transportation Board of the Department of Transportation on October 18, 2000 at 2:43 p.m.

Secured Party:

Fleet National Bank  
100 Federal Street  
Boston, MA 02110

Debtors: (collectively)

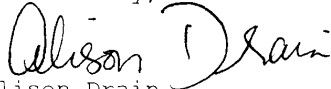
Helm Holding Corporation  
Helm Financial Corporation  
Helm Locomotive Leasing Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

A short summary of the document to appear in the index follows:

Partial Termination dated February 28, 2001, of the Security Agreement in connection with that certain Revolving Credit and Term Loan Agreement dated October 18, 2000 between Fleet National Bank as Secured Party and Helm (collectively) as Debtors terminating **one (1)** locomotive with the Mark **HLCX (Old Mark SOO)** and Number **1204**.

Please file this Partial Termination as a secondary document to Recordation No. **23168** and return **three (3)** STB stamped originals to me. A check for twenty-eight dollars (\$28.00) is enclosed for the filing fee. If you have any questions, you may reach me at (415) 398-4510, Ext. 0.

Yours truly,

  
Alison Drain  
Document Administrator

/ad  
enclosures (4)

RECORDATION NO. **23168-L** FILED

APR 2 '01 12:26 PM

TS  
SURFACE TRANSPORTATION BOARD

PARTIAL TERMINATION OF  
SECURITY AGREEMENT

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is dated as of February 28, 2001, by FLEET NATIONAL BANK, a national banking association ("Fleet") as the Agent for the Lenders (as defined in the Credit Agreement described below), for the benefit of HELM HOLDING CORPORATION, a California corporation, HELM FINANCIAL CORPORATION, a California corporation and HELM LOCOMOTIVE LEASING CORPORATION, a California corporation (collectively, "Helm").

1. **Recitals.** Helm owns the rail equipment bearing the Association of American Railroad reporting mark and number as described in Exhibit A attached hereto (the "Unit"). Helm has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "Collateral"), to Fleet upon the terms and conditions provided in that certain Security Agreement dated as of October 18, 2000, between Helm and Fleet (the "Security Agreement") as filed with the Surface Transportation Board of the Department of Transportation ("STB") on October 18, 2000 at 2:43 P.M. under Recordation No. 23168. The Security Agreement was executed in connection with that certain Revolving Credit and Term Loan Agreement dated as of October 18, 2000, among the Borrowers, Lenders and Agent as defined therein (the "Credit Agreement").

Helm intends to sell the Unit to a third party and desires that such sale shall be free and clear of any lien or security interest of Fleet. Helm requests Fleet's consent to such sale of the Unit and requests Fleet to terminate its lien and security interest in the Unit.

2. **Consent & Partial Termination.** Fleet hereby consents to the sale of the Unit by Helm. Fleet hereby forever terminates any and all liens and security interests in the Unit granted to it under the Security Agreement. Such liens and security interests in the Unit shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of Fleet's right, title and interest in and to the Unit shall be null and void.

This Partial Termination shall have no effect on Fleet's lien and security interest in any other Collateral other than the Unit and said lien and security interest in such other Collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, Fleet has executed this Partial Termination of Security Agreement as of the date first above written.

FLEET NATIONAL BANK, as Agent

By: *Robert S. Allen*

Print Name: \_\_\_\_\_

Its: ROBERT S. ALLEN  
GROUP MANAGER

RECORDATION NO. 23168-L FILED

APR 2 '01 12:26 PM

SURFACE TRANSPORTATION BOARD

*CMA*

STATE OF MASSACHUSETTS     )  
                                      ) S.S.  
COUNTY OF Suffolk     )

On March 2, 2001, before me, Caryn Sullivan,  
personally appeared Robert S. Allen, Group Manager of  
FLEET NATIONAL BANK

X personally known to me   -OR-

\_\_\_\_\_ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument  
and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s)  
acted, executed the instrument.

Witness my hand and official seal.

G. Sullivan  
\_\_\_\_\_  
SIGNATURE OF THE NOTARY  
Commission Expires 11/2/03

[Notarial Seal]

CW

EXHIBIT A

to the  
Partial Termination of Security Agreement  
dated as of February 28, 2001

THE UNIT

Equipment Description: One (1), 1,200 horsepower, SW1200 switch locomotive equipped with a 567C engine, 26L brakes, M.U. capability, flexicoil trucks, and a 800 gallon fuel tank. Built by EMD in 1964.

Old Mark:

New Mark:

SOO 1204

HLCX 1204

cm